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January 25, 2001  
EXECUTIVE SECRETARY

Carolina Telephone  
Centel-North Carolina  
Centel-Virginia  
United Telephone-Southeast

Mr. David Waddell, Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

RE: Docket No. 00-00873 (Rulemaking Proceeding – Proposed Amendments  
to Regulations for Telephone Service Providers – Service Standards)  
AT&T and Sprint's Supplemental Comments for Workshop II

Dear Mr. Waddell:

The January 4, 2001 Notice of Workshops established a January 24, 2001 date for filing comments for the Workshop II topics. Enclosed for filing in the above proceeding are the original and thirteen copies of the Supplemental Comments of AT&T of the South Central States, Inc, United Telephone-Southeast, Inc. and Sprint Communications Company L.P. We respectfully ask that its filing be considered although filed one day after the scheduled filing date.

Please contact me if you have any questions.

Sincerely,

James B. Wright

**Enclosures**

CC: Industry Members (with enclosure)  
Consumer Advocate and Protection Division (with enclosure)  
James P. Lamoureux (with enclosure)  
Dennis Wagner  
Laura Sykora  
Kaye Odum

BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE

**Re: In the Matter of Notice of Rulemaking Amendment  
of Regulations for Telephone Service Providers**

Docket No. 00-00873

**JOINT SUPPLEMENTAL COMMENTS OF AT&T AND SPRINT**

Pursuant to the Order the Hearing Officer entered in this docket on December 15, 2000, AT&T of the South Central States, Inc. (AT&T), Sprint Communications Company L.P. and United Telephone-Southeast, Inc. (jointly Sprint) offer the following suggested revisions to the proposed rules to be addressed in Workshop II in addition to the Industry consensus comments.

With regard to disconnection of local service as addressed in 1220-4-2.06, the commenting parties believe the rules should be forward-looking by taking into account bundled service offerings. Telecommunications service providers, most notably competitive local exchange carriers (CLECs), may enter the Tennessee market with a bundle-only product offering. We support exempting telephone service providers that do not offer local service on a stand-alone basis from separately offering the service in nonpayment situations. This exemption should apply only to telecommunications service providers that are not ETCs (most notably CLECs) who have chosen to forego offering stand-alone local service, making the exemption both limited and competitively neutral. Also, the customer of such a non-ETC will always be able to obtain local service from the carrier of last resort. An opposite finding results in CLECs being forced to provide a service they do not and, for various business and economic reasons,

may not wish to provide. Among CLECs reasons for not separately offering local service is that the CLEC cannot provide the service above cost or achieve a sufficient margin.

Additionally, in some instances, it may not be possible to only disconnect a portion of the service. Sprint's ION product is an example as it is an inherently integrated service. It isn't possible to disconnect just the non-regulated service without also disconnecting the regulated or local service. Neither is it practical to apply partial payments to regulated services first since the service does not have distinct prices by service type.

The North Carolina Utilities Commission recognized these concerns in adopting its Order Directing Revision of Rules in Docket No. P-100, Sub 140 dated January 14, 2000. As stated in its Order:

"After careful consideration, the Commission is persuaded that the best course of action is to adopt the proposed language of the Public Staff and AT&T to be included as subparagraph (f) which is as follows:

If the telephone utility does not provide local service on an unbundled basis, subparagraphs (c), (d), and (e) [which prohibit disconnection] will not apply, and the telephone utility may require the customer to pay the past due balance owed (excluding amounts billed by the telephone utility on behalf of third parties for service other than the bundled service) before the bundled local service is restored.

The Commission believes that no harm will be caused to the local residential customer as a result of this decision. As several parties pointed out, customers who do not wish to pay for bundled service by [CLECs], but do wish to have local service on an unbundled basis can apply for unbundled local service from their local ILECs. As for the ILEC's positions on regulatory parity, this Commission, as the Public Staff and other parties pointed out, has never adhered to a policy of strict regulatory parity between ILECs and [CLECs]."

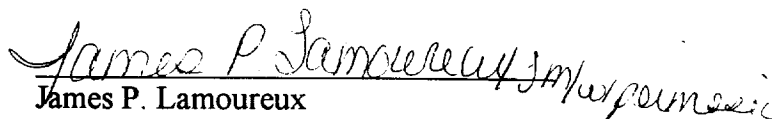
For the foregoing reasons, AT&T and Sprint recommend that the industry consensus revision of 1220-4-2.06 should be further revised to include a subparagraph (4) as follows;

1220-4-2-.06                      Disconnection of Local Service

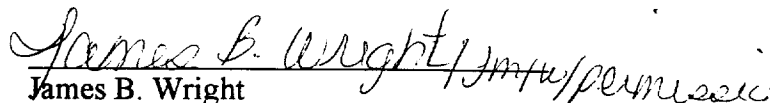
- (4) If the telecommunications service provider only provides local service bundled with other regulated and/or unregulated services, 1220-4-2-.06(1)(a) and 1220-4-2-.14(3) will not apply, and the telecommunications service provider may require the customer to pay the past due balance owed before bundled service or any portion of the bundle is restored.

Respectfully submitted,

AT&T of the South Central States, Inc.

  
James P. Lamoureux

Sprint Communications Company L.P.  
United Telephone-Southeast, Inc.

  
James B. Wright